

ARIZONA RACING COMMISSION

530TH REGULAR MEETING

WEDNESDAY, FEBRUARY 11, 2004

MINUTES OF PUBLIC MEETING

A public meeting of the Arizona Racing Commission was convened on Wednesday, February 11, 2004, beginning at 10:00 a.m. in Building Conference Room 250, 1110 West Washington, Phoenix, Arizona.

A. Call to Order:

Present: Chairman Burton Kruglick
Vice-Chairman Bob Ford
Commissioner Michael Napier
Commissioner Michael Vespoli

Also Present: Geoffrey E. Gonsler, Director
Mary DeLaat Williams, Assistant Attorney General

Chairman Kruglick called the 530th Regular Meeting of the Arizona Racing Commission to order at 10:02 a.m.

The following matters were discussed, considered, and decided at the meeting:

A. Call to Order

1. **Introduction of Guests - Chairman Kruglick** recognized **Marshall Kueker**, Tucson Greyhound Park's new General Manager
2. **Approval of the Minutes:**
 - **529th Regular Meeting held Wednesday, January 14, 2004 - Chairman Kruglick** called for a motion. **Vice-Chairman Ford** moved for approval. **Commissioner Vespoli** seconded the motion. **All in favor.**
 - **Special Public Meeting held Thursday, January 29, 2004 - Chairman Kruglick** called for a motion. **Vice-Chairman Ford** moved for approval. **Commissioner Napier** seconded the motion. **All in favor.**

B. Department Information Reports

Commission members were provided with informational reports on all items listed below.

Chairman Kruglick asked Commission members if there was any comment or discussion on any of the Information Reports. None of the items were addressed and were accepted as presented.

1. Second Quarter Breeders' Awards
2. Drainage Inspections at Apache Greyhound Park
3. Department of Racing Complaint Process Review
4. Department of Racing Employees with Licenses
5. Revision of the Department of Racing Licensing Process
6. County Fair Racing Permit Application
7. Monthly Quality Service Information
8. Policy for Processing Permittee Requests
9. Revisions to the Arizona Department of Racing Administrative Code
10. Department of Racing Mid-Year Budget Status Report
11. Horse Racing Industry Recognition Awards
12. Department of Racing Correspondence

C. New Business

The following New Business items are for a status report, presentation, discussion, and possible action for the Commission.

Items 12 and 13 were addressed out of order.

1. **Phoenix Greyhound Park Request for Additional Wagering Facility - Chairman Kruglick** called for a motion. **Vice-Chairman Ford** moved for approval. **Commissioner Napier** seconded the motion. **All in favor.**
 - Boston's Bar & Grille, 1730 E. Elliott Rd., Tempe, Arizona

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2. **Tucson Greyhound Park Request for Additional Wagering Facilities - Chairman Kruglick** called for a motion. **Commissioner Vespoli** moved for approval. **Vice-Chairman Ford** seconded the motion. **All in favor.**
 - Brats Bar & Grill, 5975 W. Western Way Circle #106, Tucson, Arizona
 - Famous Sams #47, 4801 E. 29th Street, Tucson, Arizona
 - Maverick King of Clubs, 6622 E. Tanque Verde Rd., Tucson, Arizona
3. **Withdrawn** - Turf Paradise Request for Additional Wagering Facility
 - Las Brizas Mexican Grill, 10618 N. Cave Creek Rd., Phoenix, Arizona
4. **Resolutions Recognizing Phoenix Greyhound Park and Turf Paradise for Charitable Donations - Chairman Kruglick** presented plaques in recognition of charitable donations to Dan Luciano, General Manager of Phoenix Greyhound Park and Randy Fozzard, General Manager of Turf Paradise.
5. **NAPRA News Information - Chairman Kruglick** shared information from the *NAPRA News* relating to gaming in other racing jurisdictions.
6. **Proposed Policy for Canceling a Race or Race Day - Director Gonsher** reported that following the Burton vs. State settlement, the Department of Racing was required to implement a plan to prevent similar occurrences. Part of that plan was the development of a new procedure for making decisions regarding the cancellation of races. Director Gonsher asked the Commission to endorse the policy and procedure. Following discussion of the proposed policy, the Department was asked to revise the policy to address Commission members' concerns and to bring the policy back to the Commission in March.
7. **Department of Racing Appearance Bond Policy - Director Gonsher** reminded Commission members that this policy was in response to a Commission request to revise the bond requirement for those who file an appeal. The Department would like to implement the policy as soon as possible. Director Gonsher responded to questions from Commission members. **Chairman Kruglick** recognized Henry Evans. **Mr. Evans**, representing Arizona horsemen, congratulated Director Gonsher on the Department's hard work on this matter. **Chairman Kruglick** called for a motion. **Commissioner Napier** moved for approval. **Vice-Chairman Ford** seconded the motion. **All in favor.**
8. **Status Report from Committee Exploring Options for Retired Racehorses - Commissioner Napier** noted that the Committee is making progress and plans to meet with the HBPA to obtain their approval of the plan. Turf Paradise will be seeking an addendum to the contract with the HBPA to incorporate the plan into the existing contract. Turf Paradise has agreed to assist in this process by providing funding from the Turf Paradise Foundation. Commissioner Napier said he hoped other jurisdictions would use this as a role model for implementing similar programs.
9. **Ad Hoc Horse Racing Task Force Status Report - Director Gonsher** informed the Commission that members of the Task Force committees were present to respond to questions from the Commission. The Task Force has many issues before them, and will not be able to resolve all of the issues this fiscal year. The Department is moving ahead on issues that need to be addressed immediately.
10. **Horse Medication Issues - Director Gonsher** reported that the Department is moving forward aggressively on these issues. A Department Directive has been issued on Erythropoietin (EPO). Budget savings from this year's budget will be used for medication issues, allowing a 59% increase in testing this year on horses and dogs. Commissioner Napier commented on medication issues. **Vice-Chairman Ford** asked for an explanation of shock wave therapy. **Dr. Salmons**, Chief Veterinarian, provided Commission members with information regarding this therapy.
11. **Racing Industry Legislation**

Chairman Kruglick informed those in attendance that he had received a letter from Congressman John Shadegg regarding H.R. 857, the American Horse Slaughter Prevention Act. Copies of the letter will be provided upon request.

 - **Retired Race Horses; Adoption; Surcharge (HB 2591) - Director Gonsher** noted that the bill has yet to be scheduled for committee hearing. The Commission will be advised when it is scheduled.

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- **Racing; Interstate Compact (HB 2058, SB 1182)** - **Director Gonsher** reported that SB 1182 was approved 7-0 by the Senate Committee on Natural Resources and Transportation on February 10.

Director Gonsher advised Commission members that the Department will be pursuing changes to the County Fair Racing Fund through the budget process, rather than through legislation. A new bill, HB 2695 Racing; Simulcast & Advance Wagering, has been introduced by members of the industry. The bill will eliminate the time barrier for horse and dog simulcasts and allow advance or account wagering. The Department will not take a position on this bill, but will evaluate the cost of regulation to the Department.

13. Permittee Operations Reports

- Apache Greyhound Park – no report
- **County Fairs – Roy Snedigar**, County Fair Coordinator, reported that Pima County Fair at Rillito Park just concluded their county fair meet. Pari-mutuel handle was up 7%.
- Phoenix Greyhound Park – no report
- Rillito Park – no report
- **Tucson Greyhound Park – Tom Taylor**, General Manager, reported that they are opening three OTBs in areas that have not had OTBs before.
- **Turf Paradise – Randy Fozzard**, General Manager, reported that the past Saturday was Super Saturday. It was a very successful day.
- Yavapai Downs – no report
- Yuma Greyhound Park – no report

12. **Election of Racing Commission Officers** - **Chairman Kruglick** called for nominations for Chairman. **Commissioner Vespoli** moved to nominate Vice-Chairman Ford as Chairman for 2004. Following a discussion of procedures for the election of Commission officers, it was concluded that members would be eligible for the position of Chairman during the last year of their 5-year term. The intent of the procedure is to give every member an opportunity to serve as Chairman. **Commissioner Vespoli** withdrew his motion and moved to nominate Commissioner Napier as Chairman. **Vice-Chairman Ford** seconded the motion. **All in favor.** **Chairman Kruglick** moved to re-elect Vice-Chairman Ford as Vice-Chairman. **Commissioner Vespoli** seconded the motion. **All in favor.**

C. Commission Reports

1. **Summary of Current Events Affecting the Arizona Racing Commission.** - **Director Gonsher** reminded those in attendance that nomination forms have been provided for the Horse Racing Industry Recognition Awards. Director Gonsher encouraged those in attendance to share the forms with others in the industry and to submit completed forms.
2. **Identification of Matters to be Placed on Future Agendas.**

Commissioner Napier requested the following be placed on the March agenda:

- Workers Compensation for backside employees

Executive Sessions. The Commission may vote to go into executive session on any of the foregoing agenda items for legal advice from its attorney pursuant to A.R.S. § 38-431.03(A)(3).

The Racing Commission did not adjourn to Executive Session.

E. Call to the Public

Those members of the public wishing to address the Commission must sign the signup sheet and be recognized by the Chair. Time permitting; each presentation will be given approximately five minutes. Action taken as a result of public comment will be limited to directing staff to study the matter or re-schedule the matter for further consideration at a later date.

Announcements

The next regular Commission meeting will be held on March 10, 2004, at 10:00 a.m.

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Adjournment:

Chairman Kruglick called for a motion to adjourn. **Commissioner Napier** moved to adjourn. **Vice-Chairman Ford** seconded the motion. **All in favor.**

The meeting adjourned at 10:45 a.m.

Dated this 17th day of February 2004.

Arizona Racing Commission

By _____
Joyce Cozby, Commission Secretary